

# ***MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA***

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October 1, 2010

Iowa General Assembly  
State Capital  
Des Moines, IA 50309

**RECEIVED**

**OCT 05 2010**

**HOUSE OF REPRESENTATIVES**

Re: Sudan Divestment (Iowa Code Chapter 12F)

Dear Iowa General Assembly;

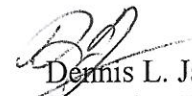
The referenced statute was enacted in 2007 pertaining to the investment of public fund assets in companies doing business in or with the Country of Sudan. Specifically, the statutory section provides that the retirement system actively engage with and ultimately may be required to divest its positions from companies which may be complicit in aiding and abetting the ongoing genocide in Sudan.

The System is hereby complying with the requirements of the statute, 12F.5:

- 2. Annual Report. On October 1, 2008, and each October 1 thereafter, each public fund shall make available to the public, and file with the general assembly, an annual report covering the prior fiscal year that includes the following:*
- a. The scrutinized companies list as of the end of the fiscal year.*
  - b. A summary of all written notices sent as required by section 12A.3 during the fiscal year.*
  - c. All investments sold, redeemed, divested, or withdrawn as provided with section 12A.4 during the fiscal year.*

The Board of Trustees respectfully submits the attached annual report.

Sincerely;

  
Dennis L. Jacobs  
Executive Director

Attachment – October 1, 2010 Report

***MFPRSI***

**A. Total Universe of Companies Per Sudan Divestment Task Force**

**B. Summary of all written notices sent**

**C. Total Positions Divested**

**As of:        June 30, 2010**

A. Total Universe of Companies Per Sudan Divestment Task Force

	COMPANY	PARENT COMPANY	Highest Offenders/ Ongoing Engagement
1	ALSTOM (FRANCE)	ALSTOM	Highest Offender
2	ALSTOM PROJECTS INDIA LTD (INDIA)	ALSTOM	Highest Offender
3	AREF ENERGY HOLDING COMPANY (KUWAIT)	AREF ENERGY HOLDING COMPANY	Highest Offender
4	AREF INVESTMENT GROUP (KUWAIT)	AREF ENERGY HOLDING COMPANY	Highest Offender
5	AVICHINA INDUSTRY & TECHNOLOGY LTD (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Highest Offender
6	BHARAT HEAVY ELECTRICALS (INDIA)	BHARAT HEAVY ELECTRICALS	Highest Offender
7	BONGAIGON REFINERY & PETROCHEMICALS LTD (INDIA)	INDIAN OIL CORP LTD aka IOCL	Highest Offender
8	CHENNAI PETROLEUM CORPORATION LIMITED (INDIA)	INDIAN OIL CORP LTD aka IOCL	Highest Offender
9	CHINA NATIONAL PETROLEUM CORP (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Highest Offender
10	CHINA NORTH INDUSTRIES GROUP CORP (CNGC/NORINCO)	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Highest Offender
11	CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	CHINA PETROCHEMICAL CORP aka SINOPEC GROUP	Highest Offender
12	CNPC HONG KONG LTD (BERMUDA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Highest Offender
13	DAQING HUAKE GROUP CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Highest Offender
14	DONGFENG MOTOR GROUP COMPANY LIMITED	DONGFENG MOTOR GROUP COMPANY LIMITED	Highest Offender
15	EGYPTIAN KUWAITI HOLDING CO (EGYPT)	EGYPTIAN KUWAITI HOLDING CO (EGYPT)	Highest Offender
16	ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	Highest Offender
17	GLENCORE FINANCE	GLENCORE INTERNATIONAL AG	Highest Offender
18	GLENCORE INTERNATIONAL AG	GLENCORE INTERNATIONAL AG	Highest Offender
19	HAFEI AVIATION INDUSTRY CO (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Highest Offender
20	HARBIN DONGAN AUTO ENGINE CO (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Highest Offender
21	HARBIN POWER EQUIPMENT CO LTD (CHINA)	HARBIN POWER EQUIPMENT CO LTD	Highest Offender
22	INDIAN OIL CORP LTD (INDIA)	INDIAN OIL CORP LTD aka IOCL	Highest Offender
23	JIANGXI CHANGHE AUTOMOBILE CO LTD (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Highest Offender
24	JIANGXI HONGDU AVIATION INDUSTRY CO LTD (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Highest Offender
25	JINAN DIESEL ENGINE CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Highest Offender
26	JX HOLDINGS INC	NIPPON OIL CORPORATION	Highest Offender
27	KINGDREAM PLC (CHINA)	CHINA PETROCHEMICAL CORP aka SINOPEC GROUP	Highest Offender
28	KLCC PROPERTY HOLDINGS BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Highest Offender
29	LANKA IOC LTD (INDIA)	INDIAN OIL CORP LTD aka IOCL	Highest Offender
30	LIAOJING HUAJIN TONGDA	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Highest Offender
31	MANAGEM (MOROCCO)	MANAGEM	Highest Offender
32	MANGALORE REFINERY & PETROCHEMICALS LIMITED (INDIA)	OIL & NATURAL GAS CORP	Highest Offender
33	MERCATOR LINES	MERCATOR LINES	Highest Offender
34	NIPPON MINING	NIPPON OIL CORPORATION	Highest Offender
35	NORINCO INTERNATIONAL COOPERATION LTD	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Highest Offender
36	OIL & NATURAL GAS CORP LTD (INDIA)	OIL & NATURAL GAS CORP	Highest Offender
37	ONA S.A. (MOROCCO)	MANAGEM	Highest Offender
38	PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Highest Offender
39	PETRONAS DAGANGAN BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Highest Offender
40	PETRONAS GAS BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Highest Offender
41	PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD.	Highest Offender
42	RANHILL BERHAD (MALAYSIA)	RANHILL BERHAD	Highest Offender
43	SCOMI ENGINEERING BERHAD (MALAYSIA)	SCOMI GROUP BERHAD	Highest Offender
44	SCOMI GROUP BERHAD (MALAYSIA)	SCOMI GROUP BERHAD	Highest Offender
45	SEADRILL LTD	SEADRILL LTD	Highest Offender
46	SINOPEC FINANCE CO LTD	CHINA PETROCHEMICAL CORP aka SINOPEC GROUP	Highest Offender
47	SINOPEC KANTON HOLDINGS LTD (CHINA)	CHINA PETROCHEMICAL CORP aka SINOPEC GROUP	Highest Offender
48	SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP aka SINOPEC GROUP	Highest Offender
49	SOCIETE METALLURGIQUE D'IMITER (MOROCCO)	MANAGEM	Highest Offender
50	TRAFIGURA BEHEER BV (NETHERLANDS)	TRAFIGURA BEHEER BV	Highest Offender
51	WUHAN BOILER CO (CHINA)	ALSTOM	Highest Offender
52	ANDRITZ AG (AUSTRIA)	ANDRITZ GROUP	Ongoing Engagement
53	ATLAS COPCO (INDIA) LTD	ATLAS COPCO AB	Ongoing Engagement
54	ATLAS COPCO AB (SWEDEN)	ATLAS COPCO AB	Ongoing Engagement
55	AVTODIZEL OAO (RUSSIA)	GAZ GROUP	Ongoing Engagement
56	BHARAT ELECTRONICS LIMITED (INDIA)	BHARAT ELECTRONICS LIMITED	Ongoing Engagement
57	CITADEL CAPITAL	CITADEL CAPITAL	Ongoing Engagement
58	ESSAR OIL (INDIA)	ESSAR OIL	Ongoing Engagement
59	GAZ AUTO PLANT (RUSSIA)	GAZ GROUP	Ongoing Engagement
60	KAMAZ (RUSSIA)	KAMAZ	Ongoing Engagement
61	LA MANCHA RESOURCES (CANADA)	LA MANCHA RESOURCES	Ongoing Engagement
62	MAN SE (GERMANY)	MAN SE	Ongoing Engagement
63	MERCATOR LINES (INDIA)	MERCATOR LINES	Ongoing Engagement
64	MERCATOR LINES SINGAPORE (SINGAPORE)	MERCATOR LINES	Ongoing Engagement
65	NEFTEKAMSKY AVTOZAVOD aka NEFAZ	KAMAZ	Ongoing Engagement
66	OIL INDIA LTD (INDIA)	OIL INDIA LTD	Ongoing Engagement
67	PAVLOVSKY BUS PLANT (RUSSIA)	GAZ GROUP	Ongoing Engagement
68	PETROFAC LTD (UK)	PETROFAC LTD	Ongoing Engagement

A. Total Universe of Companies Per Sudan Divestment Task Force

	COMPANY	PARENT COMPANY	Highest Offenders/ Ongoing Engagement
69	POLY (HONG KONG) INVESTMENT LIMITED	CHINA POLY GROUP CORPORATION	Ongoing Engagement
70	PTT PCL (THAILAND)	PTT PCL	Ongoing Engagement
71	RENK AG (GERMANY)	MAN SE	Ongoing Engagement
72	SARAS SPA (ITALY)	SARAS SPA	Ongoing Engagement
73	SCHLUMBERGER LTD (NETHERLAND ANITLLES)	SCHLUMBERGER LTD	Ongoing Engagement
74	SHANGHAI ELECTRIC GROUP CO LTD (CHINA)	SHANGHAI ELECTRIC GROUP CO LTD	Ongoing Engagement
75	SHANGHAI MECHANICAL AND ELECTRICAL INDUSTRY CO LTD (CHINA)	SHANGHAI ELECTRIC GROUP CO LTD	Ongoing Engagement
76	TOTAL KENYA LTD (KENYA)	TOTAL SA	Ongoing Engagement
77	TVERSKOY EXCAVATOR OJSC (RUSSIA)	GAZ GROUP	Ongoing Engagement
78	YAROSLAVSKY DIESEL EQUIPMENT PLANT OAO	GAZ GROUP	Ongoing Engagement
79	TOTAL KENYA LTD (KENYA)	TOTAL SA	Ongoing Engagement
80	TOTAL SA (FRANCE)	TOTAL SA	Ongoing Engagement
81	TVERSKOY EXCAVATOR OJSC (RUSSIA)	GAZ GROUP	Ongoing Engagement

## B. Summary of all written notices

### B. Summary of all written notices

July 15th, 2009

MFPRSI E-mailed letters to all firms above with the quarterly "scrutinized companies" list from the SDTF with response date of July 31, 2009.

July 29th, 2009

Company responses due back to MFPRSI with additional information.  
None Responded

July 30th, 2009

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:  
GMO

July 31st, 2009

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

August 14th, 2009

Publish list on MFPRSI's website

September 5th, 2009

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:

Alstom S.A. - Indirectly held  
Bharat Heavy Electrics - Indirectly held  
CNPC (Hong Kong) Ltd. - Indirectly held  
Dongfeng Motor Corporation - Indirectly held  
Oil and Natural Gas Company Limited - Indirectly held  
PetroChina Company Limited - Indirectly held  
Total S.A. - Directly and Indirectly held - (SDTF deems them "inactive" within the country)

October 28th, 2009

MFPRSI E-mailed letters to all firms above with the quarterly "scrutinized companies" list from the SDTF with response date of November 15, 2009.

October 30th, 2009

Company responses due back to MFPRSI with additional information.  
Total Responded

December 17th, 2009

S:\A INVESTMENTS\SUDAN DIVESTMENT\General Assembly Reports\General Assembly Report 10-1-10.xls Summary of all written notices

## B. Summary of all written notices

Publish list on MFPRSI's website

**December 17th, 2009**

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the SDTF with response date of December 29, 2009.

**December 18th, 2009**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**January 8th, 2010**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**January 22nd, 2010**

Publish list on MFPRSI's website

**January 22nd, 2010**

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Companies:

Seadrill LTD

Petrochina Company

PTT PCL

China Petroleum and Chemical Corporation

PTT Exploration and Production

**March 17th, 2010**

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the SDTF with response date of March 29, 2010.

**March 31st, 2010**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**April 1st, 2010**

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:

GMO

Baillie Gifford

Mondrian

Morgan Stanley

**April 27th, 2010**

Publish list on MFPRSI's website

## B. Summary of all written notices

**May 1st, 2010**

Company responses due back to MFPRSI with additional information.  
PTT Exploration and Production PCL Responded

**May 10th, 2010**

MFPRSI mailed letter to Morgan Stanley and Baillie Gifford informing them of the divestment from Seadrill LTD within the next Eighteen months from October 22nd, 2009.

**June 1st, 2010**

Received notice that Baillie Gifford had completely divested from Seadrill LTD.

**June 8th, 2010**

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the SDTF with response date of June 29, 2010.

**June 30th, 2010**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**June 30th, 2010**

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:

GMO

JP Morgan

**June 30th, 2010**

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Companies:

JX Holdings Inc.

Managem

Alstom S.A. - Indirectly held

Bharat Heavy Electrics - Indirectly held

CNPC (Hong Kong) Ltd. - Indirectly held

Dongfeng Motor Corporation - Indirectly held

Oil and Natural Gas Company Limited - Indirectly held

PetroChina Company Limited - Indirectly held

Total S.A. - Directly and Indirectly held - (SDTF deems them "inactive" within the country)

## C. Total Positions Divested

FY 2010

Company	Security	Manager	Category	Active/Inactive	Shares	Prior Qtr Value	Sales Proceeds	Gain/Loss
Sadrill LTD	SNB09RMQ9	Baillie Gifford	Highest	Active	33531	782,392	755,108	(27,284)
		Baillie Gifford Average Cost of the shares				782,392		
		Baillie Gifford Proceeds					755,108	
		Difference between Cost of shares and Sale of shares:						(27,284)